

Notice of General Meeting and Explanatory Statement

General Meeting to be held at the Park Business Centre
45 Ventnor Avenue, West Perth, Western Australia
on 4 April 2014 at 10am (WST)

This Notice of General Meeting and Explanatory Statement should be read in its entirety. Shareholders in doubt as to how they should vote should seek advice from their professional advisers.

If you are unable to attend the General Meeting, please complete the proxy form enclosed and return it in accordance with the instructions set out on that form.

Notice of General Meeting

A General Meeting of Target Energy Limited will be held at the Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia on 4 April 2014 at 10am (WST). The Explanatory Statement which forms part of this Notice of General Meeting describes the various matters to be considered. Shareholders are asked to refer to the Glossary at the end of the Explanatory Statement which contains definitions of the terminology used in this Notice of General Meeting and the Explanatory Statement.

Business of the General Meeting

Resolution 1: Ratify previous issue of 66,000,000 Convertible Notes

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 66,000,000 Convertible Notes (and the issue of Shares on conversion of those Convertible Notes, or Options on early redemption by the Company) on the terms and conditions set out in the Explanatory Statement."

Voting exclusion

The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 2: Approve issue of 54,000,000 Convertible Notes

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 54,000,000 Convertible Notes (and the issue of Shares on conversion of those Convertible Notes, or Options on early redemption by the Company) on the terms and conditions set out in the Explanatory Statement."

Voting exclusion

The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 3: Approve participation by a Related Party in Convertible Note issue

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue to Chris Rowe (or his nominee) up to 6,100,000 Convertible Notes (and the issue of Shares on conversion of those Convertible Notes, or Options on early redemption by the Company) on the terms and conditions set out in the Explanatory Statement."

Voting exclusion

The Company will disregard any votes cast on this Resolution by Chris Rowe (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Proxies:

To vote by proxy, please complete and sign the enclosed proxy form and return by the time and in accordance with the instructions set out on the proxy form.

Please note that:

- (a) a member of the Company entitled to attend and vote at the General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and

- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

Snap-shot time:

For the purposes of determining voting entitlements at the General Meeting the Directors have determined that all the registered holders of shares of the Company quoted on ASX at 4pm WST on 2 April 2014 shall be taken to hold those shares and will be entitled to vote those shares at the General Meeting.

Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the meeting should provide that person with a certificate or letter executed in accordance with Section 250D of the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the meeting or handed in at the meeting when registering as a corporate representative.

Enquiries

Shareholders who have any queries relating to this Notice and the accompanying documents should contact the Company Secretary, Rowan Caren on +61 (08) 9476 9000.

Signed in accordance with a resolution of the Directors



Rowan Caren
 Company Secretary
 Dated 27 February 2014

Explanatory Statement

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions. This Explanatory Statement should be read in conjunction with the Notice of General Meeting. Shareholders are asked to refer to the Glossary at the end of the Explanatory Statement which contains definitions of the terminology used.

Resolution 1 – Ratify Previous Issue of 66,000,000 Convertible Notes

1.1 Background

On 26 February 2014, the Company announced to ASX a placement of a total of 120,000,000 Convertible Notes to sophisticated and professional investors and certain overseas investors, each with a face value of \$0.05 raising gross funds of \$6,000,000. The placement is being undertaken in two tranches as follows:

- (a) a placement of 66,000,000 Convertible Notes with a face value of \$0.05 per Convertible Note to raise \$3,300,000; and
- (b) subject to Shareholder approval, a placement of 54,000,000 Convertible Notes with a face value of \$0.05 per Convertible Note to raise \$2,700,000.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 66,000,000 Convertible Notes listed in 1.1(a) above (**Ratification**). Resolution 2 seeks Shareholder approval for the issue of the 54,000,000 Convertible Notes (**Tranche 2 Placement**).

Subject to certain exceptions, the Directors are restricted by Listing Rule 7.1 from issuing or agreeing to issue new equity securities in the Company in any 12 month period, which amount to more than 15% of the Company's fully paid ordinary securities on issue, without Shareholder approval ("15% Limit").

Listing Rule 7.4 permits the ratification by a company in general meeting of previous issues of securities made without prior Shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further equity securities up to the 15% Limit requiring shareholder approval.

The Company wishes to ratify the issue of the 66,000,000 Convertible Notes listed in 1.1(a) above pursuant to Listing Rule 7.4, in order to allow the Company to have the right to place up to a further 15% of its issued capital without the requirement to obtain prior Shareholder approval at any time during the next 12 months.

The Convertible Notes are "equity securities" of the Company because they are either convertible into Shares or the Convertible Note holders are entitled to receive one Option (exercisable at \$0.08 each on or before 31 March 2017) on early redemption of the Convertible Notes by the Company.

1.2 Technical information required by Listing Rule 7.4

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) a total of 66,000,000 Convertible Notes were issued, which may convert into a maximum of 66,000,000 Shares or 66,000,000 Options on early redemption of the Convertible Notes by the Company;

- (b) the Convertible Notes were issued at \$0.05 each;
- (c) the Convertible Notes were issued on the terms and conditions set out in Annexure 1;
- (d) the Convertible Notes were issued to clients of Ord Minnett Limited, other sophisticated and professional investors pursuant to section 708 of the Corporations Act and certain overseas investors. None of these subscribers are related parties of the Company; and
- (e) the funds raised by the issue of the Convertible Notes the subject of Resolution 1 are to be applied principally to fund capital expenditure associated with the Fairway Project in the West Texas Permian Basin in 2014, to redeem 8,571,428 convertible notes with a face value of \$599,999.96 issued by the Company in 2013 and for working capital.

1.3 Directors' Recommendation

If Resolution 1 is passed, the 15% Limit imposed by Listing Rule 7.1 will be renewed to the extent of the ratification. The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

Resolution 2: Approve Issue of 54,000,000 Convertible Notes

2.1 Background

Resolution 2 seeks Shareholder approval for the issue of 54,000,000 Convertible Notes with a face value of \$0.05 per Convertible Note, to raise \$2,700,000 (**Tranche 2 Placement**).

A summary of Listing Rule 7.1 is set out in section 1.1 above.

The Company seeks approval for the issue of the Tranche 2 Placement Convertible Notes (and the issue of Shares on conversion of those Convertible Notes, or Options on early redemption by the Company) pursuant to Listing Rule 7.1, in order to allow the Company to have the right to place up to a further 15% of its issued capital at any time during the next 12 months.

2.2 Technical information required by ASX Listing Rule 7.1

The following information is provided to Shareholders in relation to the Tranche 2 Placement for the purposes of Listing Rule 7.3:

- (a) the maximum number of Convertible Notes that may be issued is 54,000,000 Convertible Notes each with a face value of \$0.05 (with an aggregate face value of \$2,700,000);
- (b) the maximum number of securities to be issued upon conversion of all of the Convertible Notes will be 54,000,000 Shares or 54,000,000 Options on early redemption of the Convertible Notes by the Company;
- (c) the issue price of the Convertible Notes will be \$0.05 per Convertible Note;
- (d) the Convertible Notes will be issued on the terms and conditions set out in Annexure 1;
- (e) the Convertible Notes will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (f) the Convertible Notes will be issued to clients of Ord Minnett Limited, other sophisticated and professional investors pursuant to section 708 of the Corporations Act and to certain overseas investors. Other than as contemplated by Resolution 3, none of these subscribers will be related parties of the Company; and

- (g) the funds to be raised by the issue of the Convertible Notes the subject of Resolution 2 are to be applied principally to fund capital expenditure associated with the Fairway Project in the West Texas Permian Basin in 2014, to redeem 17,142,858 convertible notes with a face value of \$1,200,000.06 issued by the Company in 2013 and for working capital.

2.3 Directors' Recommendation

If Resolution 3 is passed, the Directors will be allowed to issue the equity securities without using the Company's 15% placement capacity under Listing Rule 7.1. The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

Resolution 3: Approve participation by a Related Party in Convertible Note issue

3.1 Background

Pursuant to Resolution 2, the Company is seeking Shareholder approval for the issue of 54,000,000 Convertible Notes with a face value of \$0.05 per Convertible Note, to raise \$2,700,000 (**Tranche 2 Placement**).

Chris Rowe, a Director of the Company, wishes to participate in the Tranche 2 Placement.

Resolution 3 seeks Shareholder approval for the issue of up to 6,100,000 Convertible Notes (and the issue of Shares on conversion of those Convertible Notes, or Options on early redemption by the Company) with a face value of \$0.05 per Convertible note to Chris Rowe (or his nominee) arising from the participation by Chris Rowe (or his nominee) in the Tranche 2 Placement (**Participation**).

3.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of up to 6,100,000 Convertible Notes (and the issue of Shares on conversion of those Convertible Notes, or Options on early redemption by the Company) which constitutes giving a financial benefit and Chris Rowe is a related party of the Company by virtue of being a Director.

The Directors (other than Chris Rowe who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Convertible Notes will be issued to Chris Rowe on the same terms as Convertible Notes issued to non-related party participants in the Tranche 2 Placement and as such the giving of the financial benefit is on arm's length terms.

3.3 Listing Rule 10.11

Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies.

As the Tranche 2 Placement involves the issue of Convertible Notes (and the issue of Shares on conversion of those Convertible Notes, or Options on early redemption by the Company) to a related party of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required in order to issue the Tranche 2 Placement Convertible Notes to Mr Rowe as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of the Convertible Notes to Mr Rowe will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

3.4 Technical information required by ASX Listing Rule 10.11

The following information is provided to Shareholders in relation to the Participation for the purposes of Listing Rule 10.13:

- (a) the Convertible Notes will be issued to Chris Rowe (or his nominee);
- (b) the maximum number of Convertible Notes that may be issued is 6,100,000 which may be converted into 6,100,000 Shares or 6,100,000 Options on early redemption of the Convertible Notes by the Company;
- (c) the Convertible Notes will be issued with a face value of \$0.05 each, being the same as all other Convertible Notes issued under the Tranche 2 Placement, to raise up to a total of \$305,000;
- (d) the Convertible Notes will be issued on the terms and conditions set out in Annexure 1;
- (e) the Convertible Notes will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules); and
- (f) the funds to be raised by the issue of the Convertible Notes the subject of Resolution 3 are to be applied principally to fund capital expenditure associated with the Fairway Project in the West Texas Permian Basin in 2014 and for working capital.

3.5 Directors recommendation in relation to Resolution 3

The Directors, with the exception of Chris Rowe, recommend that Shareholders vote in favour of Resolution 3.

Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

Annexure means an annexure to this Explanatory Statement.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of Directors of the Company.

Chair means the chair of the Meeting.

Company or **Target** means Target Energy Limited (ACN 119 160 360).

Convertible Note means the convertible notes the subject of Resolutions 1, 2 and 3 and having the terms and conditions set out in Annexure 1.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Fairway Project means the Company's project in West Texas targeting the Wolfberry Oil Resource Play in the Permian Basin.

General Meeting or **Meeting** means the meeting convened by this Notice.

Listing Rules means the ASX Listing Rules.

Noteholder means the holder of a Convertible Note.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share with the terms and conditions set out in Annexure 1.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

WST means Western Standard Time as observed in Perth, Western Australia.

ANNEXURE 1 – CONVERTIBLE NOTE TERMS

Maturity Date	31 March 2017
Coupon Rate	10% p.a.
Interest Paid	Quarterly in arrears.
Face Value	Each Convertible Note has a face value of \$0.05.
Listing	The Company will not apply for quotation of the Convertible Notes.
Security	The Convertible Notes will be secured by a charge over the Company's interest in the Fairway Project under the terms of a specific security deed entered into by the Company and a security trustee as trustee for the Noteholders, dated 25 February 2014. The full security will be extinguished when the Convertible Notes are converted or repaid in full.
Conversion	A Convertible Note can be converted by the Noteholder at any time after the date that is 6 months after the issue date and before the Maturity Date. Shares issued on conversion will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
Conversion Ratio	Each note converts into 1 fully paid ordinary share in the Company.
Early Redemption	The Company may redeem some or all of the Convertible Notes prior to the Maturity Date by giving the Noteholder not less than 20 business days notice of redemption. During the notice period, the Noteholder may exercise the right to convert their Convertible Notes into Shares.
Early Redemption Penalty	If a Convertible Note is redeemed before the Maturity Date, the Company will issue to the Noteholder one Option for each Convertible Note redeemed. Each Option is exercisable at \$0.08 on or before the Maturity Date.
No Voting Rights	A Convertible Note does not entitle the Noteholder to vote at Shareholder meetings of the Company.
Transferable	The Convertible Notes are transferable, subject to the transferee being a sophisticated investor, professional investor, or overseas investor who satisfies the Company that it complies with any and all legal requirements of the relevant jurisdiction in which the offer to transfer is made.
Reconstruction	If, prior to conversion or redemption of the Convertible Notes, a reduction, repayment by way of reduction, consolidation or division, return, scheme of arrangement, or otherwise, of the issued capital of the Company occurs, the entitlement of the Noteholder to convert the Convertible Notes and the Conversion Ratio must be reconstructed in the same proportion and manner as that approved reconstruction of capital (and subject to the same provisions, if any, for the rounding of entitlements) so that the value of

each Convertible Note is not adversely affected by the relevant occurrence and the Noteholder is not conferred with any additional benefits which are not also conferred on Shareholders.

Participation

If the Company issues bonus securities to Shareholders any time subsequent to the issue of the Convertible Note to a Noteholder and prior to the date of conversion, the Company will issue to the Noteholder, on conversion, the same class and number of bonus securities to which the Noteholder would have been entitled to as if the conversion had already occurred, subject to the Listing Rules and any necessary Shareholder approvals.

Option Terms

An Options issued as part of the early repayment penalty will be issued on the following terms:

- (i) each Option entitled the holder to subscribe for 1 fully paid ordinary share upon exercise of the Option;
- (ii) subject to paragraph (x), the amount payable on exercise of each Option will be \$0.08 per Option (**Exercise Price**);
- (iii) each Option will expire at 5:00pm (WST) on 31 March 2017 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date;
- (iv) the Options are exercisable at any time on or from the redemption date until the Expiry Date (**Exercise Period**);
- (v) the Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company;
- (vi) a Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**);
- (vii) within 15 Business Days after the later of the following:
 - (A) the Exercise Date; and
 - (B) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,but in any case no later than 20 Business Days after the Exercise Date, the Company will:
 - (C) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (D) if required, give ASX a notice that complies with section

708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (E) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under paragraph (vii)(D) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- (viii) Shares issued on exercise of the Options will rank equally in all respects with other fully paid ordinary shares in the Company;
- (ix) if admitted to the official list of ASX at the time, the Company will apply for quotation of the Shares issued upon the exercise of Options;
- (x) if at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction;
- (xi) there are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options;
- (xii) an Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised;
- (xiii) the Company will not apply for quotation of the Options on ASX.
- (xiv) the Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws; and
- (xv) despite any other term, the Options may not be exercised if such exercise would cause the holder to breach the Corporations Act or the ASX Listing Rules (including, without limitation, Chapter 6 of the Corporations Act).

PROXY FORM

TARGET ENERGY LIMITED
ACN 119 160 360

GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 10:00 am (WST), on 4 April 2014 at the Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia, and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Voting on business of the Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Ratify previous issue of 66,000,000 Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approve issue of 54,000,000 Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approve participation by a Related Party in Convertible Note issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Important for Resolution 3

If you have not directed your proxy how to vote as your proxy in respect of Resolution 3 and the Chair is, or may by default be, appointed your proxy, you must mark the box below.

I/we direct the Chair to vote in accordance with his/her voting intentions (as set out above) on Resolution 3 (except where I/we have indicated a different voting intention above) and acknowledge that the Chair may exercise my/our proxy even if the Chair has an interest in the outcome of Resolution 3 and that votes cast by the Chair for Resolution 3, other than as proxy holder, will be disregarded because of that interest.

If the Chair is, or may by default be, appointed your proxy and you do not mark this box and you have not directed the Chair how to vote, the Chair will not cast your votes on Resolutions 3 and your votes will not be counted in calculating the required majority if a poll is called on Resolution 3.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

Consent for contact by e-mail: YES NO

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Advanced Share Registry, at 150 Stirling Highway, Nedlands WA 6009; or
 - (b) facsimile to Advanced Share Registry on +61 8 9389 7871.so that it is received not less than 48 hours prior to commencement of the Meeting.
Proxy Forms received later than this time will be invalid.